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August 23, 2010

Honorable Sam Sparks
United States District Judge
200 West 8th Street
Austin, Texas 78701

Re: *Paul Martinez and Andrew Hoffman v. Dynamic Microsystems, LLC*; Case
No. 09-cv-217; In the United States District Court for the Western District
of Texas, Austin, Division.

TO THE HONORABLE JUDGE SAM SPARKS:

In accordance with the Court's order dated May 26, 2010, this letter is to advise the Court of the status of the above-styled lawsuit. As a reminder, the Court's order continued the trial of this case and stayed the litigation for six months so that the Plaintiffs could be allowed time to serve Defendant Dynamic MicroSystems, LLC's parent company in Germany. The Court also ordered the parties to submit a status report in the form of a letter every 90 days. Although Defendant's German parent company has now been served, Plaintiffs are pleased to inform the Court that the parties have agreed to settle this case. The parties are currently in the process of drafting a settlement agreement and expect that a motion to dismiss this lawsuit will be filed in the coming weeks.

Respectfully,

/s/ Kevin T. Kennedy

Kevin Kennedy

cc: Cynthia Veidt
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